

# EXHIBIT D

**Life Partners Debtors**  
**Feasibility of Plan Entities**  
**(\$000's)**

|   | 2016 <sup>[1]</sup> | 2017          | 2018          | 2019-2025      | 2026-2045       | Period Total    |
|---|---------------------|---------------|---------------|----------------|-----------------|-----------------|
| <b>Position Holder Trust Projection</b>   |                     |               |               |                |                 |                 |
| Maturities <sup>[2]</sup>   | \$ 101,149          | \$ 115,531    | \$ 135,577    | \$ 997,752     | \$ 457,677      | \$ 1,807,686    |
| Premiums <sup>[3]</sup>   | (36,099)            | (49,046)      | (62,036)      | (475,649)      | (192,471)       | (815,301)       |
| <b>Net Cash Flow from Portfolio</b>   | <b>65,050</b>       | <b>66,485</b> | <b>73,541</b> | <b>522,103</b> | <b>265,207</b>  | <b>992,385</b>  |
| <br>New IRA Note Interest Payments <sup>[4]</sup>   | -                   | (431)         | (431)         | (3,014)        | (2,583)         | (6,459)         |
| New IRA Note Sinking Fund Reserves/Payments <sup>[5]</sup>  | -                   | (478)         | (478)         | (6,220)        | (7,176)         | (14,353)        |
| <br>Maturity Funds Facility Draws <sup>[6]</sup>  | 11,172              | -             | -             | -              | -               | 11,172          |
| Maturity Funds Facility Payments & Interest <sup>[7]</sup>  | (25,208)            | -             | -             | -              | -               | (25,208)        |
| Creditors' Trust Funding <sup>[8]</sup>   | (2,000)             | (5,000)       | (5,000)       | -              | -               | (12,000)        |
| Newco (Servicing Co.) Funding <sup>[9]</sup>  | (2,000)             | -             | -             | -              | -               | (2,000)         |
| <br>Cure Payment Receipts <sup>[11]</sup>   | 789                 | -             | -             | -              | -               | 789             |
| Escrowed Premium and Maturity Receipts <sup>[12]</sup>  | 46,633              | -             | -             | -              | -               | 46,633          |
| Application of PHT Escrow Funds <sup>[13]</sup>   | (15,000)            | -             | -             | -              | 15,000          | -               |
| Bankruptcy Costs (Administrative and Priority Claims, Professional Fees) <sup>[14]</sup>              | (24,814)            | (1,661)       | (1,661)       | (1,661)        | -               | (29,796)        |
| PHT Legal & Administrative Costs <sup>[15]</sup>  | (1,738)             | (3,677)       | (3,307)       | (19,024)       | (57,336)        | (85,083)        |
| PHT Premium Reserves <sup>[16]</sup>  | -                   | (1,349)       | (4,330)       | 3,882          | 1,797           | -               |
| Servicing Fees <sup>[17]</sup>  | (1,283)             | (3,389)       | (3,995)       | (29,753)       | (13,725)        | (52,143)        |
| <b>Cash Available from PHT Operations</b>   | <b>51,600</b>       | <b>50,500</b> | <b>54,339</b> | <b>466,314</b> | <b>201,184</b>  | <b>823,936</b>  |
| <b>Pre-Effective Date Adjustments</b>   |                     |               |               |                |                 |                 |
| Exclude Pre-Effective Date Maturities <sup>[2]</sup>  | (57,422)            | -             | -             | -              | -               | (57,422)        |
| Exclude Pre-Effective Date Premiums <sup>[3]</sup>  | 19,043              | -             | -             | -              | -               | 19,043          |
| Include Other LPI Pre-Effective Date Cash Flows   | (4,983)             | -             | -             | -              | -               | (4,983)         |
| <b>Total Pre-Effective Date Adjustments</b>   | <b>(43,362)</b>     | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>(43,362)</b> |
| <br>Reserves for PHT Operations <sup>[18]</sup>   | (90)                | (509)         | (547)         | (4,720)        | (7,398)         | (13,264)        |
| Distribution of Ending Cash <sup>[19]</sup>   | -                   | -             | -             | -              | 16,414          | 16,414          |
| Distributions to Continuing Position Holders and New IRA Noteholders (on 5% interest) <sup>[20]</sup> | (181)               | (1,003)       | (861)         | (2,398)        | (67)            | (4,509)         |
| <b>Cash Distributions to PHT Beneficiaries (Excluding Continuing Position Holders)</b>                | <b>7,968</b>        | <b>48,988</b> | <b>52,931</b> | <b>459,196</b> | <b>210,133</b>  | <b>779,215</b>  |
| <b>Newco (Servicing Company) Projection <sup>[10]</sup></b>   |                     |               |               |                |                 |                 |
| Receipts from Servicing Fees  | 1,895               | 4,999         | 5,521         | 33,887         | 14,427          | 60,729          |
| Expenses  | (2,459)             | (3,737)       | (3,391)       | (20,455)       | (30,218)        | (60,259)        |
| <b>Net Cash Flow</b>  | <b>(564)</b>        | <b>1,262</b>  | <b>2,130</b>  | <b>13,431</b>  | <b>(15,790)</b> | <b>470</b>      |
| <b>New IRA Note Summary <sup>[21]</sup></b>   |                     |               |               |                |                 |                 |
| Beginning Balance   | 14,353              | 14,353        | 14,353        | 14,353         | 14,353          | 14,353          |
| Interest Received   | -                   | 431           | 431           | 3,014          | 2,583           | 6,459           |
| Principal Received  | -                   | -             | -             | -              | (14,353)        | (14,353)        |
| <b>Ending Balance</b>   | <b>14,353</b>       | <b>14,353</b> | <b>14,353</b> | <b>14,353</b>  | <b>-</b>        | <b>-</b>        |
| <br>New IRA Noteholder Payments Received  | -                   | 431           | 431           | 3,014          | 16,936          | 20,811          |
| New IRA Noteholder Distributions from PHT <sup>[20]</sup>   | 4                   | 24            | 21            | 58             | 2               | 108             |
| <b>Payments / Distributions to New IRA Noteholders</b>  | <b>4</b>            | <b>455</b>    | <b>451</b>    | <b>3,072</b>   | <b>16,938</b>   | <b>20,920</b>   |
| <b>Continuing Fractional Holder Summary</b>   |                     |               |               |                |                 |                 |
| Maturities <sup>[22]</sup>  | 42,515              | 48,832        | 45,868        | 113,945        | 3,629           | 254,789         |
| Premiums <sup>[23]</sup>  | (14,561)            | (19,934)      | (20,335)      | (52,978)       | (1,559)         | (109,367)       |
| Escrowed Premium Credit <sup>[24]</sup>   | 30,663              | -             | -             | -              | -               | 30,663          |
| Exclude Pre-Effective Date Maturities <sup>[25]</sup>   | (23,957)            | -             | -             | -              | -               | (23,957)        |
| Servicing Fees <sup>[26]</sup>  | (708)               | (1,542)       | (1,448)       | (3,598)        | (115)           | (7,411)         |
| Cont. Frac. Holder Distributions from PHT <sup>[20]</sup>   | 176                 | 979           | 840           | 2,340          | 65              | 4,400           |
| <b>Distributions to Cont'g Fractional Holders</b>   | <b>34,130</b>       | <b>28,334</b> | <b>24,925</b> | <b>59,709</b>  | <b>2,021</b>    | <b>149,118</b>  |
| <b>Maturity Escrow</b>  |                     |               |               |                |                 |                 |
| Distribution of Pre-Effective Date Maturities <sup>[27]</sup>   | 149,605             |               |               |                |                 | 149,605         |
| <b>Total Recoveries Distributed <sup>[28]</sup></b>   | <b>\$ 1,098,858</b> |               |               |                |                 |                 |

Life Partners Debtors  
Feasibility of Plan Entities  
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**NOTES**

***The accompanying Global Notes are an integral part of the financial information and exhibits included with the Debtors' Amended Plan of Reorganization and Disclosure Statement, which should be read together with the financial information and exhibits included therein. References to the company in the financial exhibits include all of the Debtors or the Successor Entities (other than the Creditors' Trust) as the context requires.***

- [1] The projection for 2016 includes pre- and post-Effective Date amounts. The New IRA Note beginning balance is as of the Effective Date and reflects the assumptions set forth in note [21] below. The Effective Date is assumed to be 7/31/2016.
- [2] Includes Pre-Effective Date maturities on the portion of the portfolio that is assumed to elect to opt in to the Position Holder Trust. The 5% of Continuing Holder maturities assigned to the PHT is also included.
- [3] Includes premiums paid on Abandoned Positions, which are projected to be the source for payment of fees and compensation reserved for as described in note [18] of the Global Notes. Also includes Pre-Effective Date premiums on the portion of the portfolio that is assumed to elect to opt in to the Position Holder Trust. Premiums on 5% of Continuing Holder positions are also included.
- [4] Interest payments are to be made on the schedule detailed in the Plan and Disclosure Statement.
- [5] Includes funds set aside by the Position Holder Trust each year to ensure adequate funding is available for the payments due at maturity on the New IRA Notes.
- [6] \$13.8 million drawn in 2015; remaining \$11.2 million drawn in 2016.
- [7] Borrowed maturity funds will be repaid Post-Effective Date, with interest.
- [8] The amount of capitalization is estimated and is part of the ongoing analysis of Plan implementation, and is subject to change. The projected capitalization will be set forth in the Creditors' Trust Agreement. Amounts not paid on the Effective Date will be paid on demand within three years following the Effective Date. The Creditors' Trust Trustee, the Governing Trust Board, and their professionals, will be compensated out of the Creditors' Trust.
- [9] The amount of capitalization is estimated and is part of the ongoing analysis of Plan implementation, and is subject to change. The projected capitalization will be set forth in the Plan Supplement.
- [10] Includes 3% servicing fee on all maturities, minus projected operating expenses. Net Cash Flow is reserved for Newco working capital. Remaining cash is ultimately distributed back to the Position Holder Trust.
- [11] Assumes certain past due premium amounts will be collected from Continuing Holders within 90 days after the Effective Date.
- [12] Includes \$38.7 million in premium escrow for positions assigned to the Position Holder Trust, reduced for escrow amounts which are projected to be used to cover premium shortfalls until the Effective Date (with the PHT's 5% share of Continuing Holder premium escrow), \$77.8 thousand in Pre-Effective Date maturities on Pre-Petition Abandoned Positions, and \$7.9 million for the assignment of 5% of escrowed maturities held by Continuing Holders.
- [13] \$15.0 million of the PHT premium escrow funds have been reserved until the end of the projection period to manage liquidity volatility and demonstrate feasibility. However, all funds are available for application against premium costs immediately after the Effective Date.
- [14] Includes \$19.4 million in Professional Fee & Noticing Agent payments (including Pre-Effective Date payments), \$3.5 million in Administrative Claims, \$6.6 million in Priority Tax Claims payments (paid over four years), and Newco Break-Up Fees of \$250 thousand.
- [15] Includes projected annual PHT costs for legal, administrative, mailings, Governing Board compensation, consulting fees, interest income on portfolio maturities, public company reporting costs, PHT Trustee Fees (beginning mid-2016 as set forth in the Position Holder Trust documents, and his/her staff and/or consultants), and custodial account charges.
- [16] Includes funding for the Position Holder Trust to keep a 120 day premium reserve in effect throughout the projected period. The \$15 million in escrowed premiums reserved above is included in the 120 day premium reserve.
- [17] Servicing fees of 3% of Maturities for positions held by the Position Holder Trust.
- [18] Operational reserves set aside by the PHT Trustee for working capital needs.
- [19] Excess cash from the Position Holder Trust and from Newco may be distributed to PHT stakeholders at any time, in the business judgement of the PHT Trustee as defined in the PHT documents.
- [20] Continuing Holders and New IRA Noteholders will receive a pro rata share of Position Holder Trust distributions, in exchange for the 5% share of maturities contributed to the PHT.
- [21] New IRA Note calculations are based upon the following assumptions: 5% of IRA position holders elect to receive New IRA Notes; The principal value of the New IRA Notes is estimated to be 29% of the fractional face value of the related fractional positions; the interest rate (paid annually) on New IRA Notes is 3%; the principal balance is paid in a lump sum at maturity, 15 years after the Effective Date.
- [22] Includes Pre-Effective Date maturities on the portion of the portfolio that is assumed to elect to become Continuing Holders. The 5% of Continuing Holder maturities assigned to the PHT is deducted.
- [23] Includes Pre-Effective Date premiums on the portion of the portfolio that is assumed to elect to become Continuing Holders. Premiums on 5% of Continuing Holder positions are deducted.
- [24] Includes premium escrow for positions assigned to Continuing Holders (deducting the PHT's 5% share of Continuing Holder premium escrow).
- [25] The pre-Effective Date portion of Continuing Holder maturities will be distributed to the appropriate investors. Policies matured before the Effective Date are not included in the portfolio cash flows.
- [26] Servicing fees of 3% of Maturities for positions held by Continuing Holders.
- [27] Includes the projected maturity escrow balance as of the Effective Date (amounts received and pending, and the amount included in the \$25 million of advances under the Maturity Funds Facility), reduced by 5% for the portion that is distributed to the Position Holder Trust. Distribution(s) will occur subsequent to the Effective Date related to the timing of receipts.
- [28] Amounts illustrated are based upon hypothetical assumptions regarding the proportion of investors that will choose specific elections under the Plan, as described in notes [8 & 9] of the accompanying Global Notes. Those elections will affect the cash flows of the Position Holder Trust, Continuing Fractional Holders, and New IRA Notes; actual outcomes will vary, and the variance may be material.

**Prepared for H. Thomas Moran, Chapter 11 Trustee of Life Partners Holding, Inc.  
Subject to Further Review and Revision**

**Life Partners Debtors**

**Global Notes to Financial Information - Amended Plan & Disclosure Statement**

***THE GLOBAL NOTES ARE AN INTEGRAL PART OF THE FINANCIAL INFORMATION AND EXHIBITS INCLUDED WITH THE DEBTORS' AMENDED PLAN OF REORGANIZATION AND DISCLOSURE STATEMENT, WHICH SHOULD BE READ TOGETHER WITH THE FINANCIAL INFORMATION AND EXHIBITS CONTAINED THEREIN. SPECIFIC REFERENCE IS MADE TO THE DISCLAIMER INCLUDED IN THE DISCLOSURE STATEMENT.***

The following notes are applicable to the attached projections in all respects, unless specifically noted otherwise therein:

**GENERAL**

1. Projections are based on information supplied by the Debtors or from sources believed to be reliable and have not been independently verified. Assumptions are subject to further review & revision.
2. Assumes Plan confirmation and an Effective Date of 7-31-16.
3. A key Plan element provides that Fractional Interest Holders may elect to opt-in to a post-confirmation Position Holder Trust, where they pay no further premiums or servicing fees and receive periodic cash distributions, or may elect to opt-out as a Continuing Fractional Holder, where they continue to pay their own premiums, a servicing fee of 3% of maturities, and make a 5% contribution to the Position Holder Trust.
4. Plan funding is financed by the Maturity Funds Facility. The Debtors, or Position Holder Trust Trustee, may elect to seek other funding, including exit financing, in their business judgement, as provided in the Plan or Position Holder Trust Agreement.
5. Assumes current maturities (received and pending, as of 2/28/2016) of approximately \$99 million, reduced for Maturity Funds Facility borrowings of \$17 million (net balance of \$82 million), and an estimated additional \$12 million/month of maturities through end of July 2016, reduced for an additional \$8 million of Maturity Funds Facility borrowings as of the Effective Date. The resulting total Effective Date maturities balance (including pending receipts) is projected to be \$157 million, less the Maturity Funds Facility balance of \$25 million, or a net balance of \$132 million), of which 5% will be contributed to the Position Holder Trust. Premium escrow balances are approximately \$70 million.
6. Excess cash flow from the Position Holder Trust is distributed to investors who opt-in and have a Position Holder Trust Interest, subject to calculations and offsets set forth in the Plan and Disclosure Statement.

7. Professional fees subsequent to July 2016, Creditors' Trust recoveries and expenses, and any IRA Partnership expenses are not included.

8. Assumes 80% of Viatical policy investors opt-in to the Position Holder Trust, and 20% opt-out, and that 40% of Senior/Life Settlement policy investors opt-in to the Position Holder Trust, and 60% opt-out.

9. Assumes the majority of IRA Holders will opt-in to the Position Holder Trust, and only 5% of IRA Holders will elect to become Continuing IRA Holders, receiving New IRA Notes. New IRA Note calculations are based upon the following assumptions: The principal value of the New IRA Notes is estimated to be 29% of the fractional face value of the related positions; the interest rate is 3% paid annually, assuming sufficient cash flow; the principal balance is paid in a lump sum at maturity, 15 years after the Effective Date.

10. Assumes the servicing business is not sold to a third party, and operations are continued under Newco and the Reorganized Debtor.

### **POLICY PORTFOLIO**

11. *Senior mortality* - Probabilistic and stochastic modeling was based on the Society of Actuaries' 2015 VBT NS ALB at a mortality multiplier of 160% for males and 90% for females, using the table at the insured's age in the month of the earliest policy purchased.

12. *Viatical mortality* - Probabilistic and stochastic modeling was based on the Society of Actuaries' 2015 VBT NS ALB at a mortality multiplier of 500% for males and females, using the table at the insured's age in the month of the earliest policy purchased.

13. *Mortality improvement* - Annual mortality improvement, based on US population data from 1985 - 2010 was applied by gender on an attained age basis.

14. *Mortality multiplier wear off* - Initial mortality multipliers greater than one were worn off to 1.00 by age 100. One half of the wear off was completed by the time the insured attained an age that was half-way between their age on December 1, 2015 and age 100. Initial multipliers less than one were not worn off or altered in any way going forward.

15. *Premium streams* - In order of preference, identified below are the relevant categories of premium stream information available and the assumptions thereon:

*a. Level Premium Policies* - Whole life policies require level premium payments each period, which were determined based on information provided by the Debtors;

*b. 3rd Party Optimization Completed* - The Debtors enlisted independent firms to produce optimized premium streams using proprietary methods; these premium streams were relied upon;

*c. Level Premium to Maturity Illustrations* - Certain illustrations provided by the Debtors were used showing level premiums that would fund the policy to maturity;

*d. Short Term Optimized Streams* - The Debtors calculated up to two years of future premiums, which were used in the model. The percentage increase in the premium from year one to year two was used to calculate future premium increases until maturity, subject to an annual cap of 20%;

*e. Disability Waived Premiums to Age 65* - No premiums were specified as they had been waived to age 65. After age 65, premiums produced from a study of actual annual premiums on a portfolio of owned whole life policies were used;

*f. Level Term Policies* – The level premium specified was used until age 65, and then the premiums calculated in the previous step for ages beyond 65;

*g. Current Premium Only* – Where only a single premium was available, it was used for the first year. Subsequently, the premium was increased by 9% each year, consistent with the average increase in mortality rates of the 2001 CSO mortality table, which was commonly used in contemporaneous policies to set maximum mortality rates;

*h. No Information Available* – An age band based premium stream was developed from a study of a portfolio of owned policies. It increased every 5 years until age 65, and subsequently the level whole life premium developed above was used until maturity, which was assumed to be age 100.

## **OPERATIONS**

16. The full 12 month projection for 2016 is shown, including amounts paid and received before the projected Effective Date of the Plan. The tail projection for years beyond 2045 has been omitted.

17. Assumes only a limited amount of overdue receivables will be collected from Continuing Fractional Holders (opt-out Investors) as cure payments.

18. Subject to further negotiation and Court approval, a reserve has been created in these projections for proposed compensation to the Class Action Counsel and Chapter 11 Trustee (for his service in all of the fiduciary capacities in which he has served in connection with the Debtors' bankruptcy cases).

The Class Action Litigants' Counsel Fees are proposed to be paid out of \$33 million in maturities on assigned Pre-Petition Abandoned Positions. The present value of the projected maturities cash flow at a 20% discount rate is \$5.2 million.

The Chapter 11 Trustee fee is proposed to be paid out of \$16 million in maturities on assigned Pre-Petition Abandoned Positions, plus an amount equal to a 0.5% fee on all maturities from the Beneficial Ownership held by the Position Holder Trust, which amount is projected to be paid or reimbursed from abandoned positions. The present value of the projected cash flow at a 20% discount rate is \$5.2 million, and it is projected that maturities from Pre-Petition Abandoned Positions remaining in the Position Holder Trust would be sufficient to pay (or reimburse) the share of maturities paid to the Chapter 11 Trustee.

Determination of the actual amount of the proposed compensation may not occur until Plan confirmation. The proposed compensation structure could be modified to include a combination of cash and abandoned positions, but is not anticipated to exceed the present value amounts noted above. Confirmation of the Plan does not grant an allowance of such compensation, and is without prejudice to any parties in interest position with respect to such proposed compensation. Such amounts have not been agreed to by either the Committee or the Plan Supporters and, in any event, would be subject to, among other things, Court approval.

19. A reserve fund is to be established for the Position Holder Trust sufficient to cover 120 days of premium payments.

20. The Position Holder Trust shall provide initial funding and capitalization of the Creditors' Trust and Newco.

21. Assumes Continuing Fractional Holders (opt-out Investors) will have the following Payment Default rates per year (the related Continuing Fractional Positions will be transferred to the Position Holder Trust pool):

2016 0.5%  
2017 0.5%  
2018 15%  
2019 20%  
2020 25%  
2021 through 2045 30%